

The Heart of a Healthy Community

400 NORTH PEPPER AVENUE *COLTON * CALIFORNIA * 92324-1819

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June 29, 2011

Chief Executive Officer
PATRICK PETRE

Chief Operating Officer

Maureen M. Malone

Arrowhead Regional Medical Center 400 N. Pepper Avenue Colton, CA 92324

OSHPD Facility No. 106364231

Medical Director DEV GNANADEV, MD

METHODOLOGY

The pricing methodology used by Arrowhead Regional Medical Center (ARMC) is set according to each service unit or revenue center, with consideration to the following factors: acquisition cost, uniform mark-ups on a relationship to the cost of the item or service, comparable market values and involvement of each department manager. The fees are the amounts that have been determined to be the fair and equitable cost of the service.

The estimated percent change in gross revenue due to price changes approved by the San Bernardino County Board of Supervisors is 0%. There were some price adjustments made in a number of departments and the net effective on gross revenues was 1.20%.

Sincerely,

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Chief Financial Officer

Arrowhead Regional Medical Center

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